

PRESTON DUFAUCHARD  
California Corporations Commissioner  
WAYNE STRUMPFER  
Deputy Commissioner  
ALAN S. WEINGER (BAR NO. 86717)  
Lead Corporations Counsel  
BLAINE A. NOBLETT (BAR NO. 235612)  
Corporations Counsel  
320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, California 90013-2344  
Telephone: (213) 576-1396 Fax: (213) 576-7181

Attorneys for Complainant

BEFORE THE DEPARTMENT OF CORPORATIONS  
OF THE STATE OF CALIFORNIA

In the Matter of the Accusation of THE  
CALIFORNIA CORPORATIONS  
COMMISSIONER,

Complainant,

v.

EQUIHOME MORTGAGE CORP.,

Respondent.

File No.: 413-0588

**ORDER REVOKING RESIDENTIAL  
MORTGAGE LENDER LICENSE**

The California Corporations Commissioner finds:

1. Respondent Equihome Mortgage Corp. ("Equihome") is a residential mortgage lender licensed by the California Corporations Commissioner ("Commissioner") pursuant to the California Residential Mortgage Lending Act (California Financial Code, § 50000 et seq.) ("CRMLA").

Equihome has its principal place of business located at 150 Morristown Road, Suite 101, Bernardsville, New Jersey 07924.

2. Pursuant to California Financial Code sections 50307 and 50401, Equihome is required to file an annual Report of Principal Amount of Loans and Aggregate Amount of Loans Serviced ("Activity Report") on or before March 1st of each year for the preceding 12-month period

1 ended December 31st.

2 3. On January 19, 2007, an Activity Report form was sent to Equihome with a notice that  
3 the Report was due on or before March 1, 2007. Equihome failed to submit the Activity Report by  
4 March 1, 2007.

5 4. On May 7, 2007, a letter was sent to Equihome demanding the Activity Report be filed  
6 no later than May 17, 2007, and assessing Equihome a penalty of \$1,000.00, pursuant to California  
7 Financial Code section 50326. Equihome was notified in the letter that failure to file the Activity  
8 Report and/or pay the penalty by May 17, 2007 would result in an action to either suspend or revoke  
9 its license.

10 5. On June 27, 2007, a further letter was sent to Equihome demanding that it submit its  
11 Activity Report and pay the penalty assessed on May 7, 2007 no later than July 7, 2007 and again  
12 notifying Equihome that failure to file the Activity Report and/or pay the penalty by July 7, 2007  
13 would result in an action to either suspend or revoke its license.

14 6. Equihome has yet to submit the Activity Report or pay the penalty as required by  
15 California Financial Code sections 50307, 50326, and 50401.

16 7. Pursuant to California Financial Code section 50200, subdivision (a), Equihome was  
17 required to submit its audited financial statement for fiscal year ended December 31, 2006 ("Audit  
18 Report") to the Commissioner by April 15, 2007, including a reconciliation of its trust accounts. In  
19 addition, pursuant to the California Code of Regulations, title 10, section 1950.200, Equihome was  
20 required to submit an Independent Auditor's Report on Internal Controls ("Report on Internal  
21 Controls") on or before April 15, 2007.

22 8. On December 11, 2006, the Complainant notified Equihome in writing that its Audit  
23 Report, trust account reconciliation, and Report on Internal Controls were due on or before April 15,  
24 2007. Equihome failed to submit the Audit Report, trust account reconciliation, and Report on  
25 Internal Controls by April 15, 2007.

26 9. On June 12, 2007, a further letter was sent to Equihome demanding that it file the  
27 Audit Report, trust account reconciliation, and Report on Internal Controls no later than June 22,  
28 2007. Equihome failed to submit the Audit Report, trust account reconciliation, and Report on

1 Internal Controls.

2 10. On August 2, 2007, a final letter was sent to Equihome demanding that it file the  
3 Audit Report, trust account reconciliation, and Report on Internal Controls no later than August 12,  
4 2007, and assessing Equihome a penalty of \$1,000.00 pursuant to California Financial Code section  
5 50326. Equihome was notified in the letter that failure to file the Audit Report, trust account  
6 reconciliation, Report on Internal Controls and/or pay the penalty by August 12, 2006 would result in  
7 an action to either suspend or revoke its license.

8 11. Equihome has yet to file the Audit Report, trust account reconciliation, Report on  
9 Internal Controls or pay the penalty as required by California Financial Code sections 50200,  
10 subdivision (a), 50326, and California Code of Regulations, title 10, section 1950.200.

11 12. Failure to file an activity report, audit report, trust account reconciliation, report on  
12 internal controls, and/or pay assessed penalties are grounds under California Financial Code section  
13 50327 for the revocation of a license issued under the CRMLA.

14 13. On September 7, 2007, the Commissioner issued a Notice of Intention to Issue Order  
15 Revoking Residential Mortgage Lender License, Accusation and accompanying documents against  
16 Equihome based upon the above, and Equihome was served with those documents on September 10,  
17 2007 via certified mail, return receipt requested, at its licensed location on file with the California  
18 Department of Corporations. The Department has received no request for a hearing from Equihome  
19 and the time to request a hearing has expired.

20 ///

21 ///

22 ///

1 NOW GOOD CAUSE APPEARING THEREFORE, it is hereby ordered that the residential  
2 mortgage lender license issued by the Commissioner to Equihome Mortgage Corp. is hereby revoked.  
3 This order is effective as of the date hereof. Pursuant to California Financial Code section 50311,  
4 Equihome Mortgage Corp. has sixty (60) days within which to complete any loans for which it had  
5 commitments.

6 DATED: September 27, 2007  
7 Los Angeles, CA

PRESTON DuFAUCHARD  
California Corporations Commissioner

8  
9 By \_\_\_\_\_  
10 Alan S. Weinger  
11 Lead Corporations Counsel  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28